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STATEWIDE TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(July - September, 1998)

	High $/MBF	Low $/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (Board Feet)
Veneer Logs							
Black Walnut	$2500	$500	$1180	$1955	-	2	12800
Sawlogs							
Black Walnut	$605	$230	$295	$390	$105	4	19575
Hickory	$205	$115	$145	$130	$70	5	100627
Mixed Hardwoods	$230	$60	$120	$140	$120	11	336825
Oak (mixed species)	$200	$70	$140	$185	$135	16	1093070
Red oak (group)	$250	$60	$175	$160	$175	17	3409844
S Yellow Pine	$200	$115	$180	$175	$90	9	231926
Soft Maple	$90	$90	$90	-	-	1	16300
Sycamore	$80	$80	$80	$70	-	2	16200
White oak (group)	$250	$80	$165	$155	$135	12	1092125
Stave Logs							
White oak (group)	$455	$250	$315	$355	$235	4	97244
Pulpwood							
Mixed Hardwoods	$3	$3	$3	$10	-	1	3372 Tons
Oak (mixed species)	$3	$3	$3	-	$2	2	4838 Cords
Red oak (group)	$4	$4	$4	-	-	1	1000 Cords

OZARK TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(July - September, 1998)

	High $/MBF	Low $/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (Board Feet)
Sawlogs							
Black Walnut	$605	$230	$270	$515	$415	3	1375
Hickory	$205	$115	$135	$130	$80	4	39627
Mixed Hardwoods	$230	$80	$140	$150	$120	6	225694
Oak (mixed species)	$200	$70	$145	$205	$130	15	1057115
Red oak (group)	$250	$80	$185	$160	$195	12	2262844
S Yellow Pine	$200	$115	$185	$175	$90	8	205926
White oak (group)	$250	$80	$175	$150	$120	10	716225
Stave Logs							
White oak (group)	$300	$250	$270	$320	$235	3	71587
Pulpwood							
Oak (mixed species)	$3	$3	$3	-	-	1	188 Tons

PRAIRIE TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(July - September, 1998)

	High $/MBF	Low $/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (Board Feet)
Sawlogs							
Mixed Hardwoods	$65	$60	$60	$105	-	2	76331
Oak (mixed species)	$115	$115	$115	$85	-	1	35955
Stave Logs							
White oak (group)	$455	$455	$455	$410	-	1	25657

RIVERBORDER TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(July - September, 1998)

	High $/MBF	Low $/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (Board Feet)
Veneer Logs							
Black Walnut	$2500	$500	$1180	-	-	2	12800
Sawlogs							
Black Walnut	$300	$300	$300	$670	-	1	18200
Hickory	$150	$150	$150	-	-	1	61000
Mixed Hardwoods	$150	$60	$115	$260	$120	3	34800
Red oak (group)	$190	$60	$160	$265	$175	5	1147000
S Yellow Pine	$150	$150	$150	-	-	1	26000
Soft Maple	$90	$90	$90	-	-	1	16300
Sycamore	$80	$80	$80	$70	-	2	16200
White oak (group)	$150	$100	$150	$265	$155	2	375900
Pulpwood							
Mixed Hardwoods	$3	$3	$3	-	-	1	3372 Tons
Oak (mixed species)	$3	$3	$3	-	-	1	4650 Cords
Red oak (group)	$4	$4	$4	-	-	1	1000 Cords

Average Statewide Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
(July - September, 1998)

Veneer Logs

Species	High	Low	Avg.
White oak (group)	$830	$830	$830

*** 1 Mill(s) reporting.**

Sawlogs

Species	Grade 1	Grade 2	Grade 3
Ash	$270	$245	$200
Black Walnut	$360	$300	$190
Cherry	$420	$275	$205
Cottonwood	$165	$155	$155
Eastern Redcedar	$310	$240	$240
Elm	$215	$215	$190
Gum	$270	$270	$220
Hackberry	$215	$215	$180
Hard Maple	$255	$195	$175
Hickory	$220	$215	$180
Pecan	$215	$215	$190
Red oak (group)	$365	$275	$205
S Yellow Pine	$195	$190	$160
Soft Maple	$320	$250	$190
Sycamore	$165	-	-
White oak (group)	$330	$240	$195

*** 24 Mill(s) reporting.**

Average Ozark Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
(July - September, 1998)

Sawlogs

Species	Grade 1	Grade 2	Grade 3
Ash	$295	$295	$205
Black Walnut	$335	$335	$200
Cherry	$315	$280	$200
Cottonwood	$150	$150	$150
Eastern Redcedar	$320	$205	$205
Elm	$270	$270	$220
Gum	$270	$270	$220
Hackberry	$270	$270	$190
Hard Maple	$230	$215	$180
Hickory	$270	$270	$190
Pecan	$270	$270	$220
Red oak (group)	$340	$265	$210
S Yellow Pine	$200	$200	$200
Soft Maple	$270	$215	$180
White oak (group)	$315	$235	$200

*** 17 Mill(s) reporting.**

Average Prairie Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
(July - September, 1998)

Sawlogs

Species	Grade 1	Grade 2	Grade 3
Ash	$220	$185	-
Black Walnut	$330	$330	$205
Cherry	$580	$415	$250
Cottonwood	$190	$165	-
Hackberry	$165	-	-
Hard Maple	$165	-	-
Red oak (group)	$500	$435	$330
Soft Maple	$360	$350	$250
Sycamore	$165	-	-
White oak (group)	$375	$330	$250

*** 3 Mill(s) reporting.**

Average Riverborder Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
(July - September, 1998)

Sawlogs

Species	Grade 1	Grade 2	Grade 3
Ash	$275	$165	$165
Black Walnut	$385	$250	$165
Cherry	$470	$205	$165
Cottonwood	$165	$165	$165
Eastern Redcedar	$275	$275	$275
Elm	$165	$165	$165
Hackberry	$165	$165	$165
Hard Maple	$330	$165	$165
Hickory	$165	$165	$165
Pecan	$165	$165	$165
Red oak (group)	$375	$235	$150
S Yellow Pine	$180	$180	$125
Soft Maple	$290	$185	$145
White oak (group)	$340	$225	$145

*** 4 Mill(s) reporting.**

Average Statewide Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
(July - September, 1998)

Below Grade Logs

Species	Blocking	Pallet	Tie
Ash	$140	$150	$185
Black Walnut	$145	$150	$210
Cherry	$140	$155	$225
Cottonwood	$135	$140	$170
Eastern Redcedar	$275	$275	$275
Elm	$145	$150	$195
Gum	$145	$155	$210
Hackberry	$145	$150	$195
Hard Maple	$145	$155	$200
Hickory	$150	$155	$205
Pecan	$140	$145	$200
Red oak (group)	$150	$155	$195
S Yellow Pine	$145	$155	$190
Soft Maple	$145	$145	$185
White oak (group)	$145	$160	$195

*** 24 Mill(s) reporting.**

QUARTERLY MARKET CONDITIONS

29 mills with a combined annual production of 74,390,000 board feet participated in the July - September, 1998 survey of log and lumber market conditions. In addition, foresters reported stumpage prices resulting from 89 timber sales containing 6,439,095 board feet located throughout the state. Stave logs: $357/MBF Int'l.

Stumpage Markets

Stumpage are just waking up for the Fall. Black walnut sawlog grades are showing a positive improvement from a year ago. While not back to the level of a few years ago, sales of average quality walnut trees should once again make smiles appear on the faces of landowners. Red and white oak grade logs have still not lost their popularity and stumpage prices remain good for both these species groups. Some of the luster has gone from hard maple, but good quality trees will still bring a good price. Soft maple is about the same, but the good north Missouri markets are still there. Other soft hardwoods such as cottonwood and sycamore appear to up slightly ($5-$10/MBF) from last Spring.

Stave logs may appear to be off in price somewhat if you look at only the numbers in this report. However, the real story is quality and large average diameter of the trees you are selling. Prices for the larger and better quality trees are starting the Fall season up $20-$30/MBF over the same period last year. While I don't expect stave log stumpage prices to rise much more in the Fall and Winter, landowners should be aware of this premium market for larger and better quality white oak species.

Veneer markets have not been reported much in the last quarter, so this portion of the report is lacking for much information. I am aware of several timber sales being offered for sale in October and November, so we should have some figures to report in the next quarter. If any of the Pacific Rim currencies gain strength against the US$, we could see some increased export sales this winter. Europe is somewhat the same story. Domestic veneer markets will probably be similar to last year for walnut and the oaks. Maple and cherry could still see some increases. Other minor species for us will probably be hit and miss.

Pulpwood stumpage for mixed hardwoods in the Southeast portion of the state remain stable and dependent on the hauling distance to the mill. Figures of $3.00 -$4.65/ton have been reported. Landowners in the pulpwood procurement areas should be aware of the pulpwood value of additional wood that can be harvested during a normal timber sale. An extra $50-$75/acre of income is entirely possible and might also save the cost of doing TSI. Ask your forester for more details

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Log Markets

Four out of every five sawmills are operating at or near capacity, but over 40% of the mills are operating with low log inventories. Only 10% report having surplus log inventories. Adverse weather conditions during the next quarter could thus impact delivered log prices over a large area of the state. However, more than 80% of the mills reported average to good logging conditions during the third quarter and expect log prices to remain stable through next quarter. Only about a third of the mills expect increased log prices during the next quarter, but there is about the same number of mills who would not venture a guess about their future log purchases. In general, there does not appear to be a big push to build log inventories for the winter season.

Declining markets were reported more than improved markets. Improved markets reported included: Grade lumber, pallet lumber, cut-stock, and farm lumber. Declining markets included: blocking, grade lumber, pallet lumber, flooring lumber, pine, white oak, red oak, and soft maple. Of that list, flooring lumber was mentioned most often as a declining market. It is interesting to note that only one mill reported improved markets for grade lumber, while five mills reported declining markets for the same product.

Demand for red oak and white oak grade logs appears to be stable with the outlook for little price change for delivered logs of those species in the next three months. Walnut, cherry, and eastern redcedar appear to be headed slightly higher. Soft maple is probably headed in the other direction. While pine logs were down slightly during the last quarter, this species might finish the year stronger, especially in the tie grades. Speaking of tie logs, prices appeared to soften during the mid part of 1998. New tie orders mentioned by several mills might result in slightly increased tie log prices in the next 3-6 months.

Stave logs prices appear to have increased somewhat since last quarter. Competition for higher grade logs probably impacts stave logs prices more than anything. Stable demand for an increasingly difficult to find resource will gradually increase prices for this item.

Not enough veneer logs sales were reported to make any observations about those markets. Historically, more volume will be reported in the next two quarters for our most valuable products and species.

Editor's Note:

Remember that one of the most valuable sources for information on log and timber markets is the local Missouri Department of Conservation Resource Forester. Contact the nearest Forest District office for up-to-date, local advice. The Missouri Department of Conservation's Forestry Division, (573) 751-4115, Extension 308, will be happy to provide you with the name and address of the Resource Forester or District Forest Office nearest to you.